



February 2, 2005

SENATE BILL No. 140

DIGEST OF SB 140 (Updated February 1, 2005 12:15 pm - DI 44)

Citations Affected: IC 4-32; noncode.

Synopsis: Use of charity gaming proceeds. Prohibits the department of state revenue (department) from adopting a rule requiring a qualified organization to use a minimum percentage of its gross receipts from allowable events for its lawful purposes. Eliminates the department's authority to set by rule the allowable expenditures of a qualified organization with respect to an allowable event. Sets forth the expenses that may be subtracted from gross receipts to determine a qualified organization's net proceeds from an allowable event. Voids certain rules adopted by the department regarding the use of charity gaming proceeds.

Effective: Upon passage.

Paul, Skinner, Nugent, Mrvan

January 4, 2005, read first time and referred to Committee on Tax and Fiscal Policy.
February 1, 2005, amended, reported favorably — Do Pass.

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SB 140—LS 6542/DI 92+



February 2, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 140

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-32-6-16.4 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 16.4. "Licensed supply" refers to any of the**
4 **following:**

- 5 (1) **Bingo cards.**
- 6 (2) **Bingo boards.**
- 7 (3) **Bingo sheets.**
- 8 (4) **Bingo pads.**
- 9 (5) **Any other supplies, devices, or equipment designed to be**
10 **used in playing bingo designated by rule of the department.**
- 11 (6) **Pull tabs.**
- 12 (7) **Punchboards.**
- 13 (8) **Tip boards.**

14 SECTION 2. IC 4-32-7-3 IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) **Except as provided in**
16 **subsection (b)**, the department may adopt rules under IC 4-22-2 for the
17 establishment, implementation, and operation of allowable events or to

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ensure that the allowable events are consistently operated in a fair and honest manner.

(b) The department may not adopt a rule under IC 4-22-2 requiring a qualified organization to use a minimum percentage of the qualified organization's gross receipts from allowable events and related activities for the lawful purposes of the qualified organization.

SECTION 3. IC 4-32-9-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. ~~The department may, by rule, set the allowable expenditures of a qualified organization with respect to an allowable event:~~

(a) All net proceeds from an allowable event and related activities may only be used for the lawful purposes of the qualified organization.

(b) To determine the net proceeds from an allowable event, a qualified organization shall subtract the following from the gross receipts received from the allowable event:

(1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.

(2) The sum of the purchase prices paid for licensed supplies dispensed at the allowable event.

(3) An amount equal to the qualified organization's license fees attributable to the allowable event.

SECTION 4. [EFFECTIVE UPON PASSAGE] **45 IAC 18-3-7 and 45 IAC 18-3-8 are void. The publisher of the Indiana Administrative Code shall remove these sections from the Indiana Administrative Code.**

SECTION 5. **An emergency is declared for this act.**

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SENATE MOTION

Madam President: I move that Senator Skinner be added as coauthor of Senate Bill 140.

PAUL

SENATE MOTION

Madam President: I move that Senators Nugent and Mrvan be added as coauthors of Senate Bill 140.

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COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 140, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-32-6-16.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16.4. "Licensed supply" refers to any of the following:**

- (1) Bingo cards.**
- (2) Bingo boards.**
- (3) Bingo sheets.**
- (4) Bingo pads.**
- (5) Any other supplies, devices, or equipment designed to be used in playing bingo designated by rule of the department.**
- (6) Pull tabs.**
- (7) Punchboards.**
- (8) Tip boards."**

Page 1, line 13, delete "(a)".

Page 1, line 13, strike "The".

Page 1, strike lines 14 through 15.

Page 1, line 16, delete "(b)" and insert "(a)".

Page 2, delete lines 1 through 5, begin a new paragraph and insert:

"(b) To determine the net proceeds from an allowable event, a qualified organization shall subtract the following from the gross receipts received from the allowable event:

- (1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.**
- (2) The sum of the purchase prices paid for licensed supplies dispensed at the allowable event.**
- (3) An amount equal to the qualified organization's license fees attributable to the allowable event."**

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 140 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 11, Nays 0.

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